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18 NOV 1974

MEMORANDUM FOR: Director of Communications
Director of Finance
Director of Joint Computer Support
Director of Logistics
Director of Medical Services
Director of Personnel
Director of Security
Director of Training

SUBJECT : Planning and the Planning Council

At the DD/A Management Conference in September, we agreed that we would establish a planning council at the capstone of the planning structure within this Directorate. To start the process functioning, we need to have agreement as to concept and operating procedures. In order to generate that concept and generally get things moving beyond the talking stage, we have put together some papers relative to the planning process which are attached. While these serve generally as a blueprint, they are not intended to be the final product. I would appreciate it if you would treat the attachments as stalking horses to initiate further thought on the implementation of our planning process. Please let me have your comments by 29 November.

/s/John E. Blake

John F. Blake
Deputy Director
for
Administration

Attachments as stated

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5 November 1974

THE PLANNING COUNCIL

Within the Directorate for Administration, a planning mechanism has been established which reaches its highest level in the Planning Council. This Council consists of the office directors of the Directorate for Administration. It is divided into two subgroups, one of which consists of the Offices of Logistics, Communications, Finance, and Joint Computer Support. The other consists of Medical Services, Personnel, Training, and Security. Most of the time, these subgroups will operate independently dealing with the substantive matters which are of greatest concern to them. Thus, we would expect that questions of technology, inflation, and building facilities would normally be considered by the first planning group. The second one, by its composition, is already oriented heavily in the direction of people and their problems. It would be to this group that we would look for most of the planning relative to the futurity of our personnel decisions.

The Planning Council cannot, of course, plan in a vacuum. It needs to have direction and guidance which can only come from command. Staff can assist in the development of alternatives for direction and alternatives for guidance, but command must make the final decisions in passing this information on to the Planning Council.

The purpose of establishing a Planning Council appears to be twofold:

- a. The most obvious is to plan for the future;
- b. Secondly, to involve top levels of Directorate management directly in the planning process in order to improve the product, but also to increase support for the result.

It would thus seem to be important to build planning projects in such a fashion as to keep the office directors directly involved. The office director must not serve as a conduit for planning staff views. I don't think we can stress that point too much. The input must be line thoughts and line ideas, not staff thoughts and ideas.

For planning to work, goals must be defined. What are we doing now and where do we want to be in years from now. These can be defined broadly for a Directorate as a whole and then each office can define such broad goals to become specific office targets and objectives. Assumptions must be made about the important factors which will bear upon the period for which planning is being done. These assumptions should include such things as the economy, the ecology, the needs of the Directorate and of the Agency, the international situation, the domestic situation, energy, democracy and the like. Guidelines should then be developed taking into account these assumptions and the goals as to what factors should be considered or should not be considered in shaping the possible decisions which will ^a effect the future.

The DDA will have to make the determination as to whether the Planning Council will actively plan or will merely study various alternative possibilities developed by other mechanisms. For example, the Planning Council might commission a variety of studies, levying these upon different elements of the DDA. It could then review and modify those studies, pass them to the DDA for his approval and then refine them into an overall master plan. On the other hand, the Planning Council could actively do the planning and the research, prepare the paper and send it to the DDA for approval. In any event, it is my opinion that the Planning Council should concern itself with long-term planning from 5-8 years in the future. It should be concerned with those plans and activities which are necessary to get the Directorate as a whole into the desired posture in the specified time-frame. Mid-term and short-term planning can be done by existing mechanisms; either the staff or line elements which exist now but that planning should be as the result of the definition of long-term goals and not merely as reaction to short-term environmental changes.

5 November 1974

PLANNING

Planning is a way of establishing the futurity of present decisions. It is also a way of considering alternatives to courses of action which can be affected by events beyond the control of the component concerned. Planning can also be considered as the definition of a set of objectives, the establishment of various viable means of attaining those objectives and the monitoring of accomplishments through the means of some type of feedback mechanism. Planning cannot exist as a one-time thing. That is, no organization can develop a plan, start marching to it, and never change that plan regardless of events. Therefore, our planning system must build into it some means for effecting changes in the plans to conform with requirements. For this reason, any five-year plan which is developed today represents a plan in the original English language meaning of the word: a blueprint; a drawing on a flat piece of paper.

Certain long-range objectives have been identified by the DDA for the next five years. As stated by him at the DDA Management Conference at [] the two of the major five-year objectives are [] and the expansion of the computer capability of the Office of Joint Computer Support. These two specific objectives represent an underlying objective: the deliberate use of technology to enhance productivity and the utilization of dollars today to buy techniques which will provide the possibility of personnel savings in the future. Clearly that objective in and of itself is only a technique for accomplishing the more fundamental basic objective confronting the Directorate for the next five years: the improvement of service at less real cost.

How do we develop a DDA five-year plan? One way of doing it is to establish office goals by each component. The DDA long-range goal would then consist of the totality of those office goals. This would continue the former practice of operating the Directorate as a conglomeration of equals, coordinated by the Deputy Director. Clearly, this is not the way that the DDA wishes to operate.

An alternative is to postulate a series of guidelines including the statements of Directorate targets from the Directorate level, transmit those to the components, and then take the component plans and meld them into an overall Directorate plan of action. This has

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the advantage of establishing a commonality of goals, but the final product remains heavily weighted by the input of the individual offices. While it may no longer be merely the sum of the total of the individual parts, it is still largely that.

A third way would be for Directorate goals to be established at the Directorate level from among those possible goals which are developed at both the Directorate level and from the offices. Some of these would be planned and directed from the Directorate level. These would be primarily those that are interoffice in nature. For such goals, the Planning Council could provide the major impetus and input. Individual offices will remain responsible, as they now are, for the single office targets. These would be part of the overall mosaic of Directorate goals, executed by a single office and directed at the Directorate level.

It is important to avoid confusing long-range goals with those which are covered by a management by objectives program. These latter of necessity should be short-range, quantified, and aimed at improving quite specific products. The former will be more ephemeral, designed to enhance the total product of the Directorate, and will not be tracked by the same mechanism. The long-range goals should eventually appear, in some form, as short-term objectives. But, the passage of time, the impact of outside influences, will necessarily make these goals much more volatile.

This suggests some type of formal review mechanism of long-range goals, probably through the Planning Council. Perhaps at the time of development of each new five-year plan, the existing targets for the existing five-year plan would be reviewed. Planning assumptions and guidelines should likewise be reviewed on an annual basis for long-term planning. The mechanism of the bimonthly MBO meetings can function effectively as the review mechanism for short-range objectives by merely inserting a deliberate evaluation process into our present agenda-formulation process.

The feedback mechanism inherent in the planning process is provided through the bimonthly meetings on MBO coupled with the monthly financial meetings. These should serve very effectively to meet the needs of our short-term planning mechanism. The long-term planning mechanism will require the deliberate addition of some feedback mechanism. There can be an annual report to the office directors at an annual management conference. Also, an evaluation system can be devised to rate the performance of each office in terms of its management and contribution to the Agency. Such an evaluation system should be designed to be as objective as we can make it. This implies that it should be modified frequently

until we get the tool that we need. The evaluation should be based in large measure upon the letter of instruction sent to the office director. Performance of the office as a whole should then be charted against those things that he and the Deputy Director have agreed are the most significant things to take place in the forthcoming year or years for his office. The office director should then be apprised of the results of this evaluation, the strengths of his organization and the weaknesses of his organization. The evaluation mechanism should serve to outline the degree of accomplishment of the managers involved. It also should be sufficiently objective to serve as a tool for the Deputy Director in making resource decisions in an era of scarce resources.



